

23 March 2005



# Iraq Weekly Status Report

UNCLASSIFIED



# Table of Contents

## SECTION

## SLIDE(S)

### Highlights

3

### 1.0 Neutralize the Insurgents

5

### 2.0 Ensure the Continuation of Support for Iraq's Electoral Process through 2005

7

### 3.0 Create Jobs and Provide Essential Services

9

### 4.0 Establish Foundations for a Strong Economy

15

### 5.0 Establish Good Governance, Rule of Law

22

### 6.0 Maintain International Engagement & Support

23

### General Information

25



# Highlights

## 1.0 Neutralize the Insurgents

- Iraqi Security Forces (ISF) led a successful attack on an insurgent camp near Lake Tharthar and took control of the Kiev Bridge, which crosses a strategic tributary of the Tigris River, from Ukranian troops on March 21.

## 2.0 Ensure the Continuation of Support for Iraq's Electoral Process through 2005

- Negotiations continue over membership of the Iraqi Transitional Government (ITG).

## 3.0 Create Jobs and Provide Essential Services

- The Wireless Broadband Network (WBBN) connectivity was successfully implemented at the Government of Iraqi Council, Ministries of Health, Planning, Oil, and Trade, and the Central Bank of Iraq.



# Highlights

## 4.0 Establish Foundations for a Strong Economy

- As of March 21, Arab and foreign investors are allowed to enter the Iraqi securities market and invest up to 49 percent in the shares of listed Iraqi companies.

## 5.0 Establish Good Governance, Rule of Law

- The number of Iraq Property and Claims Commission (IPCC) claims that have been adjudicated is up 1,200 this month to a total of 1,820. Over 44,000 claims have been filed with IPCC offices throughout Iraq.

## 6.0 Maintain International Engagement and Support

- Ukraine's Defense Ministry announced March 21 that 129 privates and sergeants of the 27th Iraqi infantry brigade are currently participating in a three-week training course in Ukraine. UN lessons-learned/way ahead elections conference held in NY March 16-18.



## [1.0] Neutralize the Insurgents – Iraqi Security Forces Update

### Iraqi Security Forces Update:

- Iraqi Security Forces (ISF) took control of the Kiev Bridge, which crosses a strategic tributary of the Tigris River, from Ukrainian troops on March 21. Ukrainian forces had guarded the bridge since September 2004.
- The Base Support Unit (BSU) at Umm Qasr transitioned to Iraqi control on March 17. Iraqi control of the base will allow British forces to focus on training and advising the Iraqi Navy at Umm Qasr. At least three additional BSUs are planned for transition in 2005.
- Iraqi police service's Emergency Response Unit conducted several operations against insurgents February 12 to March 7, assaulting 49 buildings and capturing two insurgent cell leaders, two high value targets, and several other subjects who are now in the custody of Ministry of the Interior.
- Iraqi police have seized 30 men linked to terror groups and involved in three beheadings, the rape and murder of three women, and the separate murders of 40 other people, General Adel Molan said on March 22. Some of the men belonged to Al-Qaeda and some to its sister group Ansar al-Islam and were caught in Baladruz, 45 miles northeast of Baghdad, the General said.



## [1.0] Neutralize the Insurgents – Iraqi Security Forces Update

### Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	55,015
HIGHWAY PATROL	
OTHER MOI FORCES	27,969
TOTAL	82,984*

### Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	64,185
AIR FORCE	186
NAVY	519
TOTAL	64,890**

### Total Trained & Equipped ISF:

# 147,874

\* Ministry of Interior Forces: Unauthorized absences personnel are included in these numbers

\*\* Ministry of Defense Forces: Unauthorized absences personnel are not included in these numbers



## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Developments**

### ITG Formation:

- TNA members-elect and political parties continue negotiations regarding the formation of the ITG. A statement from the Iraqi Council of Ministers on March 22 stated PM Allawi call on the National Assembly to form the new Iraqi government as soon as possible.

### IRI Survey of Iraqi Public Opinion:

- According to a survey conducted in 15 of Iraq's 18 governorates in the first week of March, 61.5 percent of Iraqis believe the country is headed in the right direction, up from 52.1 percent in the week before the elections.
- When asked, however, if there is a political party or figure they "currently support or feel shares your own ideas or values," an overwhelming majority -- 72.9 percent -- said there were no such parties or politicians.



## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Developments**

### IRI Survey of Iraqi Public Opinion (cont'd):

- Looking ahead to the constitutional process, more than 56 percent of Iraqis know that the Transitional National Assembly will be responsible for writing a permanent constitution. This number is up from 32.9 percent recorded in the November 24 – December 5, 2004 poll. An additional 52.6 percent understood that the constitution drafted by the TNA will have to be approved by national referendum later in the year.
- Many Iraqis believe religion should play a substantial role in the Iraqi constitution and drafting process. 46.5 percent of Iraqis feel clerics or religious leaders should be the “most important” group to provide input during the drafting, and 22.3 percent said “insuring the Muslim identity of Iraq” was the most important feature for the constitution. Still, 44.3 percent of Iraqis believe that religion and government should respect each other but remain separate.





## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Developments**

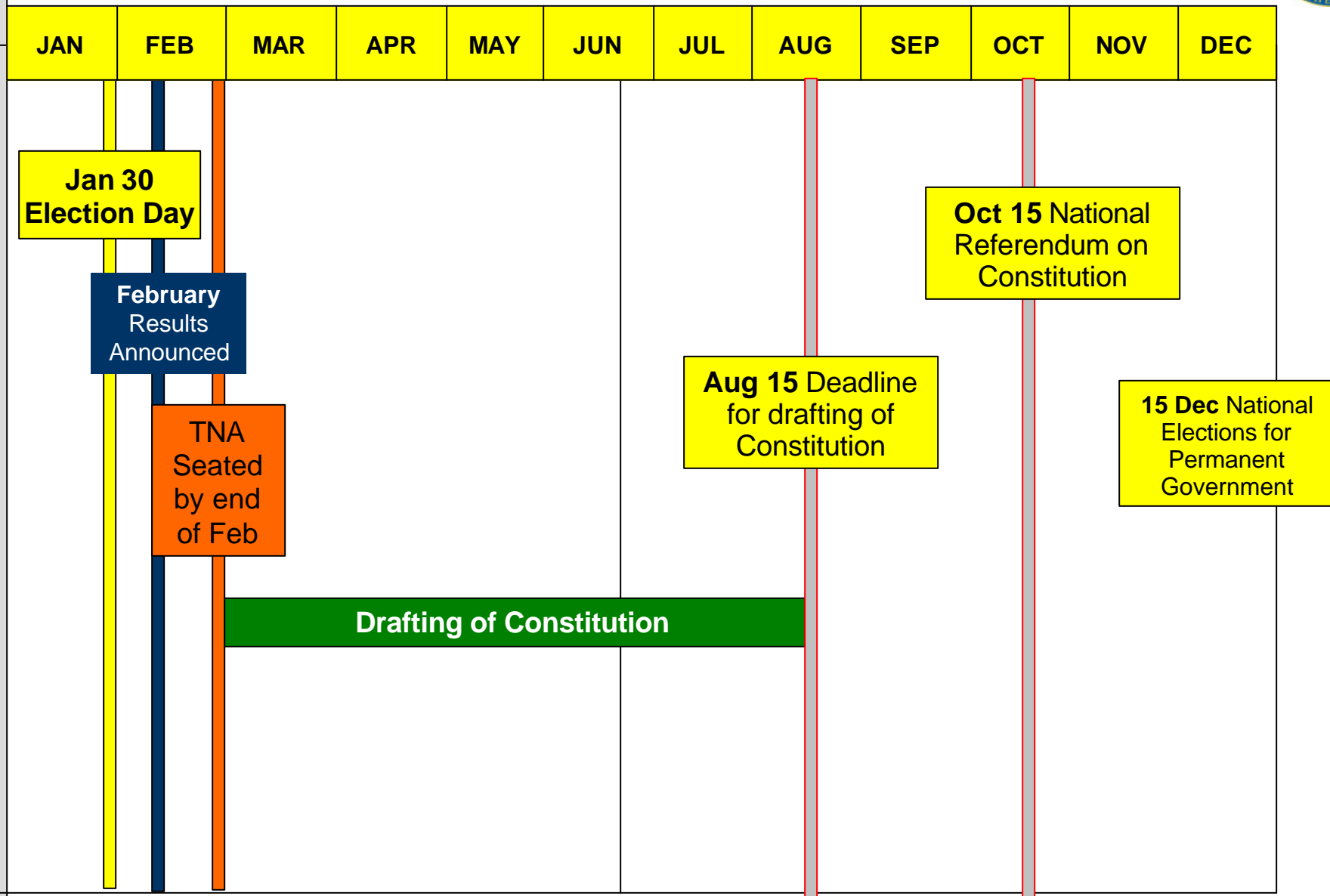
### Transitional National Assembly (TNA):

- The TNA will:
  - Serve as Iraq's national legislature until the election of a new government under a permanent constitution.
  - Approve a Presidency Council, consisting of a president and two deputy presidents, by a two-thirds vote. The Presidency Council will then appoint a Prime Minister. The Prime Minister and his Council of Ministers must receive a vote of confidence in the Assembly by a simple majority.
  - According to the Transitional Administrative Law, the TNA is to draft Iraq's new Constitution by August 15, 2005; this will be presented to the Iraqi people for their approval in a national referendum by October 15, 2005.
  - If it is approved, an election for a permanent Iraqi government under that new Constitution will occur by the end of 2005.



## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Electoral Process Timeline**

DEPARTMENT OF STATE





## [3.0] Create Jobs and Provide Essential Services – **Economy**

### Oil Update:

- Crude oil prices in world markets for the week ending March 18 closed with Kirkuk Crude at \$46.31/barrel, Basra Light at \$47.84/barrel, and the OPEC basket at \$50.80/barrel.

### Employment Update:

- Number of Iraqis employed by USG-administered projects in each sector

Employing Organization	Iraqis Last Week	Iraqi This Week	% Increase on Week
PCO	23,774	24,794	4.3%
USAID	85,938	88,561	3.1%
AIRP	4,680	4,650	-0.6%
MILCON	947	612	-35.4%
*CERP	33,671	23,706	-29.6%
*MNSTC-I	10,339	12,339	19.3%
IRRF NON-CONSTRUCTION	12,049	12,016	-0.3%
<b>GRAND TOTAL</b>	<b>171,398</b>	<b>166,678</b>	<b>-2.8%</b>

\*CERP and MNSTC-I numbers are from the latest GRD Sitrep



## [3.0] Create Jobs and Provide Essential Services – **Health Care and Food Security**

### Health Care:

- A total of 131 primary health care (PHC) facilities have been completed and construction is underway on 120 new PHCs facilities across Iraq. Under the Accelerated Iraq Reconstruction Program (AIRP), an additional six PHCs are under construction and three have been completed.
- Twenty hospitals are undergoing rehabilitation and one hospital has been completed.

### Public Distribution System (PDS):

- The Ministry of Trade predicts March shortages in the Public Distribution System (PDS) for wheat, rice, oil and pulses; however, the Ministry of Trade reported that it is in the process of signing contracts to import US rice and wheat, in an effort to diversify its sources for PDS commodities.



### [3.0] Create Jobs and Provide Essential Services – Education & Telecommunications

#### School Renovations:

- PCO has completed 226 school renovations to date and a further 443 are under construction. Under the Accelerated Iraq Reconstruction Program (AIRP), there are an additional 12 school renovations underway and 24 have been completed.
  - 987 schools are undergoing rehabilitation with 840 schools scheduled for completion by mid-2005.
- UNICEF rehabilitated 11 Iraqi primary school water and sanitation facilities in an effort to improve child health and increase enrollment, as part of USAID's basic education program.

#### Telecommunications:

- The Wireless Broadband Network (WBBN) connectivity was successfully implemented at the Government of Iraqi Council, Ministries of Health, Planning, Oil, and Trade, and the Central Bank of Iraq. Also, Internet and email activity was successfully tested at the Ministry of Health.
  - The WBBN is a secure wireless broadband network that will enable high capacity data and voice communications to 35 government sites in Baghdad. These 35 government locations are due to be installed and fully operational by the end of April.



### [3.0] Create Jobs and Provide Essential Services – **Water and Sanitation**

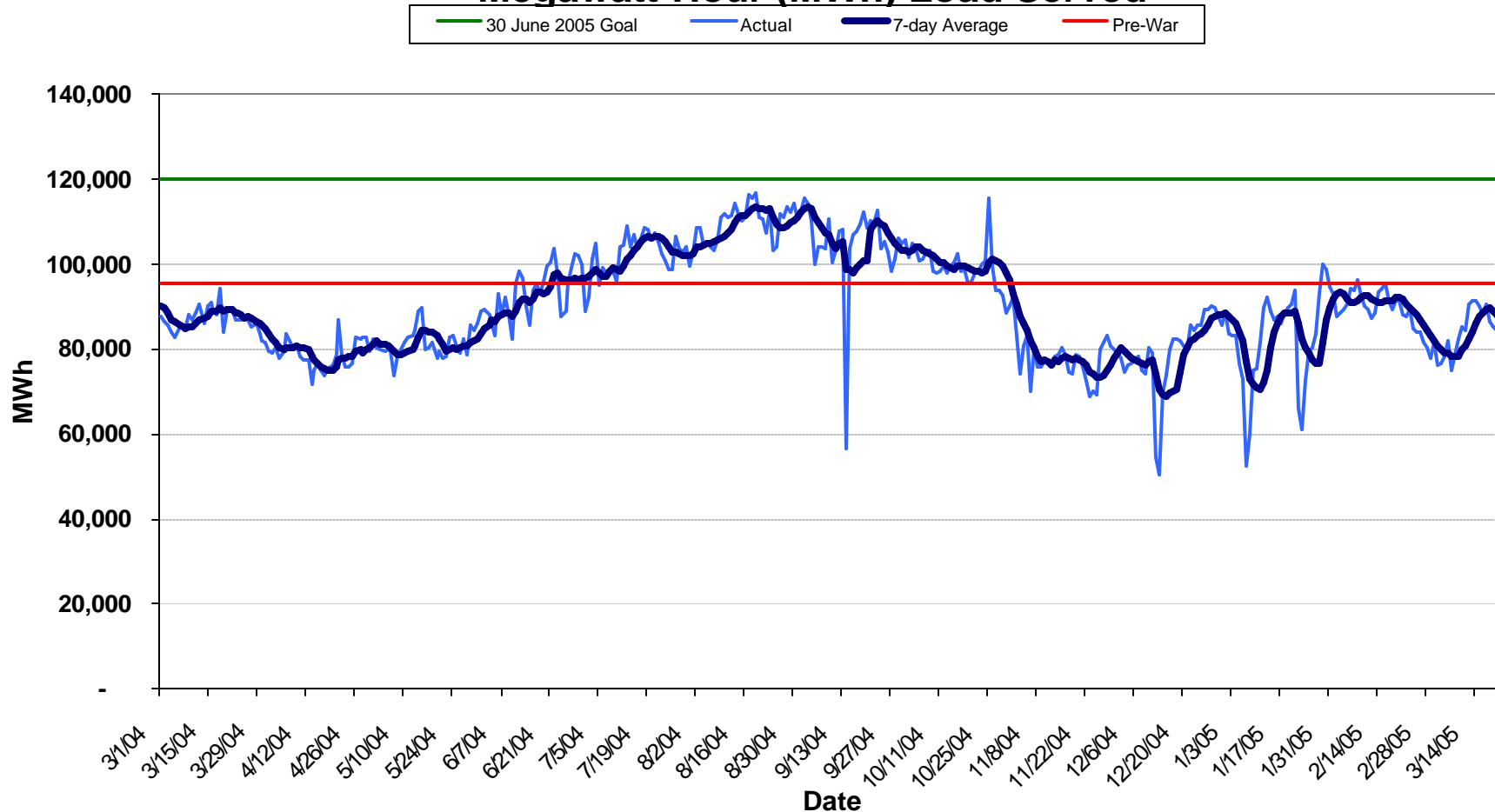
#### Water and Sanitation:

- The Project and Contracting Office (PCO) has repaired four major breaches in the Basra Sweet Water Canal, which has resulted in an increased flow capacity through the canal.
  - Repair and proper maintenance of the Canal is essential for providing fresh water to the 1.75 million citizens of the Basrah region.
- PCO has 33 water treatment projects underway and has completed one to date. Under the AIRP program, there are a further 46 water treatment projects under construction and 36 have been completed.
- Throughout Iraq, a total of 42 water treatment projects have been completed and 74 are under construction.
- Rehabilitation of the Rustiminyah North Wastewater Treatment Plant is about 80% complete. The project is expected to be complete by the end of April, and will service about 33% of the Baghdad sewage from about 4.8 million people.
  - This project is part of USAID's \$600 million initiative to provide clean water for an anticipated 11.8 million Iraqis.



## [3.0] Create Jobs and Provide Essential Services – Electricity Overview

### Megawatt-Hour (MWh) Load Served



- Electricity load served the week of March 14 – 21 was 88,203 MWh. Hours of available power averaged 12.0 in Baghdad.
- Planned and unplanned outages were 1,154 MW and 850 MW, respectively.



## [4.0] Establish Foundations for a Strong Economy

### USAID Econ Governance II Project:

- Recent accomplishments include:
  - Completed training for specialized Customs IT staff on the installation, maintenance and upgrade of the Iraqi Customs Levy System (ICLS).
  - Completed a one-week International Accounting Standards (IAS) Accounting Course for 25 Central Bank of Iraq Staff members.
  - Held Electricity Capacity Building Workshop for the MoE (Ministry of Electricity) in Amman, covering restructuring, private sector participation, metering, billing, financial systems and regulation.
  - Helped the Central Bank of Iraq to take the first step toward the development of a secondary debt market by recapitalizing its negotiable treasury bills.

### USAID Local Governance Program (LGP):

- Officials have been working on the implementation of the Accounting and Personnel Salary System for the Mayoralty of Baghdad.
  - All 9,700 permanent employees at the Mayoralty have been registered in the system. Temporary employees will be registered by the end of this month.
  - Still, only 6,700 employees have direct deposit activated due to problems at the participating Iraqi Bank
  - The 2005 Mayoralty budget is being distributed on a department level basis, allowing for more efficient calculation of service costs.





## [4.0] Establish Foundations for a Strong Economy

### Iraq Currency and Securities Exchanges:

- At the New Iraqi Dinar (NID) auction on March 20, the settlement price was 1,460 dinars per USD with a total of 19 banks trading. The following table shows the purchase value of the top five banks:

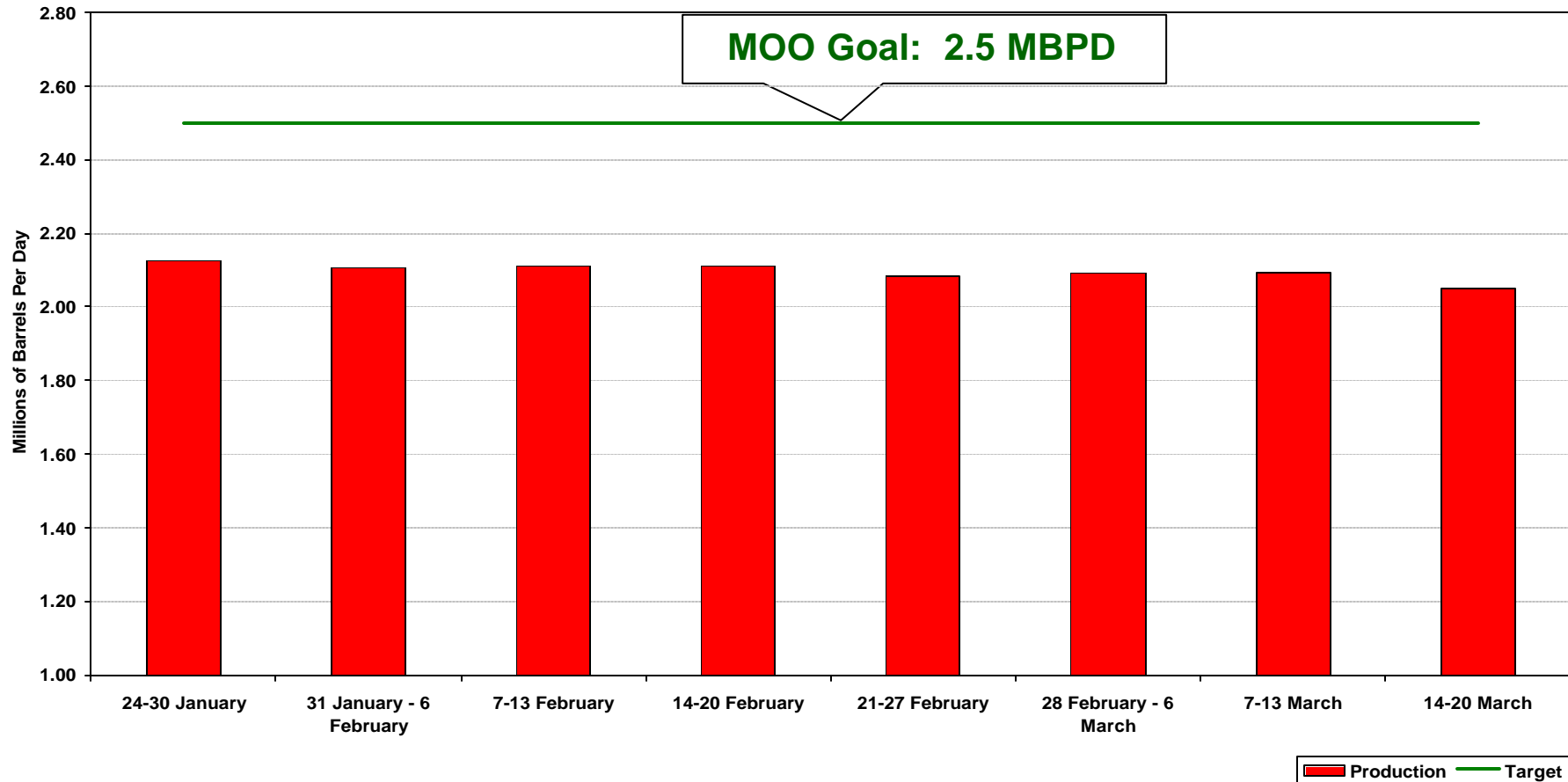
Bank Name	Qty Sold (in thousands of USD)	Percentage of Total Auction
Al-Rasheed	\$4,500	11.73%
Middle East Bank	\$3,115	8.12%
Al-Warkaa Bank	\$3,000	7.82%
Islamic Bank	\$3,000	7.82%
Al-Mosul Bank	\$3,000	7.82%
<b>Total</b>	<b>\$16,615</b>	<b>43.31%</b>

### Iraqi Stock Exchange:

- The Iraqi Interim Government has informed that Arab and foreign investors are allowed to enter the Iraqi securities market and invest up to 49 percent in the shares of listed Iraqi companies.
  - The management of the stock exchange market is expected to prepare the financial and administrative rules and establishing a special section for the Arab and foreign investors.



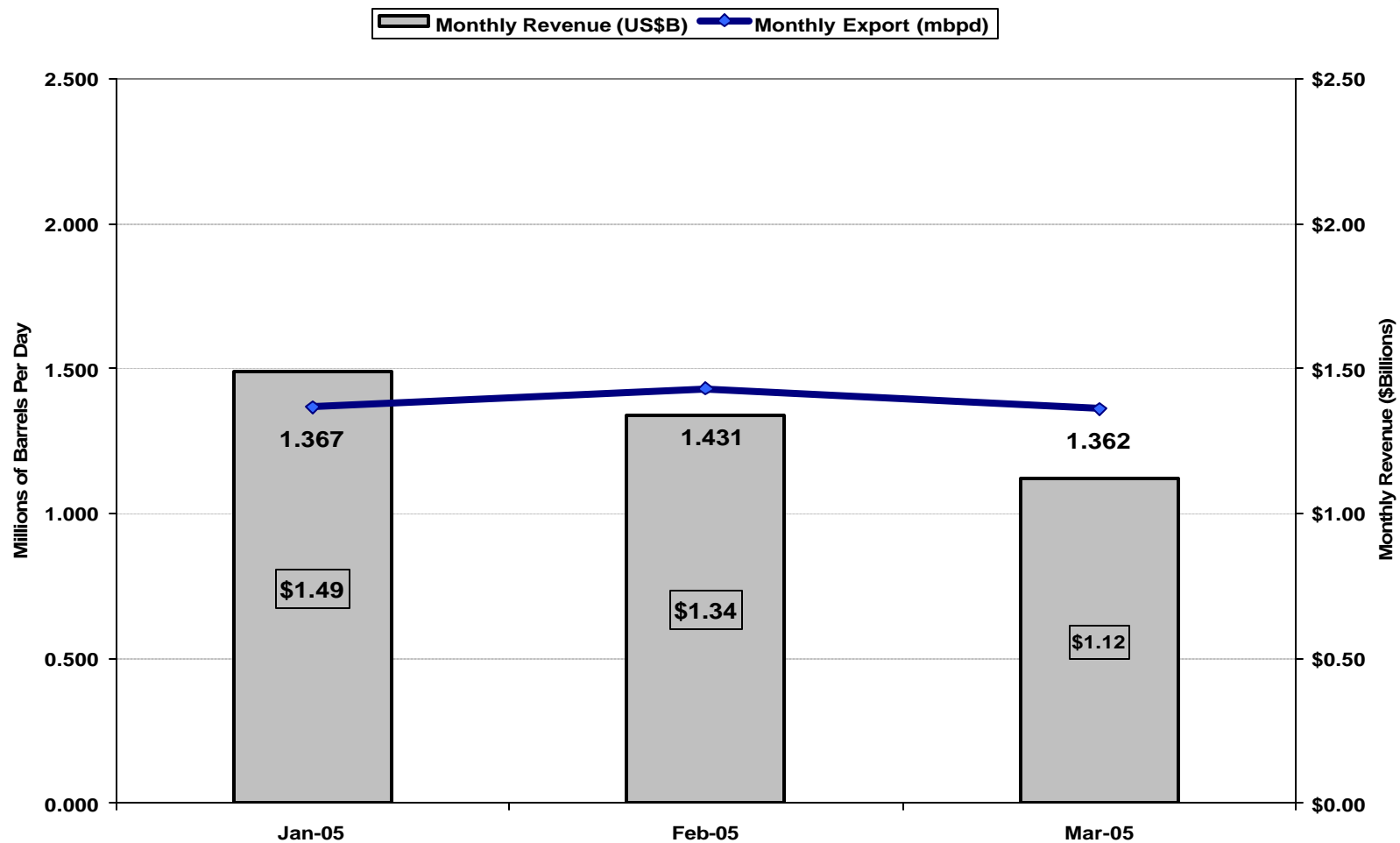
## [4.0] Establish Foundations for a Strong Economy – Crude Oil Production



- Weekly Average (March 14 -21) of 2.05 MBPD
- Pre-War Peak: 2.5 MBPD in Mar 2003
- Post-War Peak: 2.67 MBPD



## [4.0] Establish Foundations for a Strong Economy – Crude Oil Export

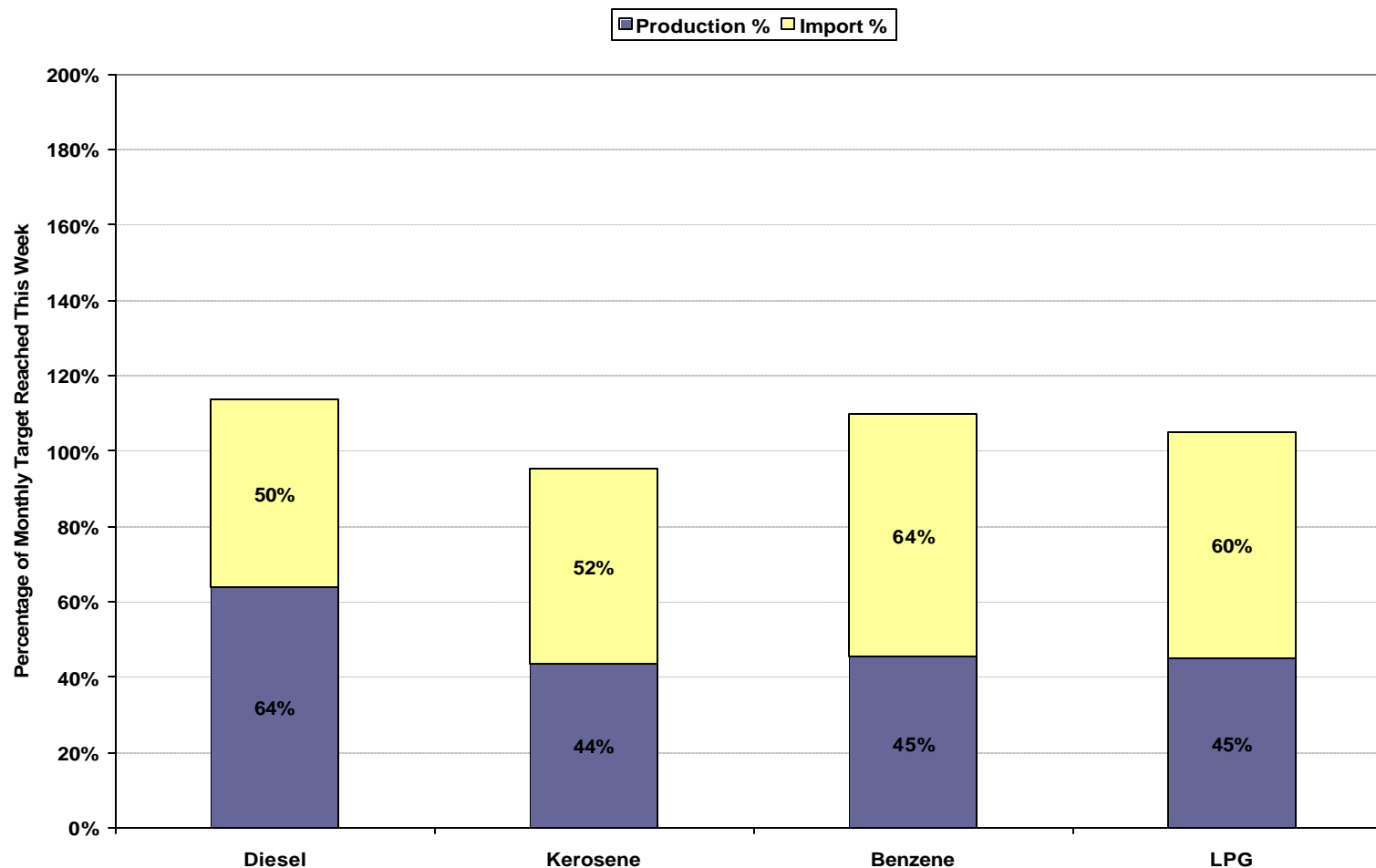


- 2003 Revenue: \$5,076.6 M
- 2004 Revenue: \$17,012.3 M
- 2005 Revenue: \$3,950.0 M (to date)

Note: 5% war reparations to Kuwait has been withdrawn from revenue totals.



## [4.0] Establish Foundations for a Strong Economy – Refined Products

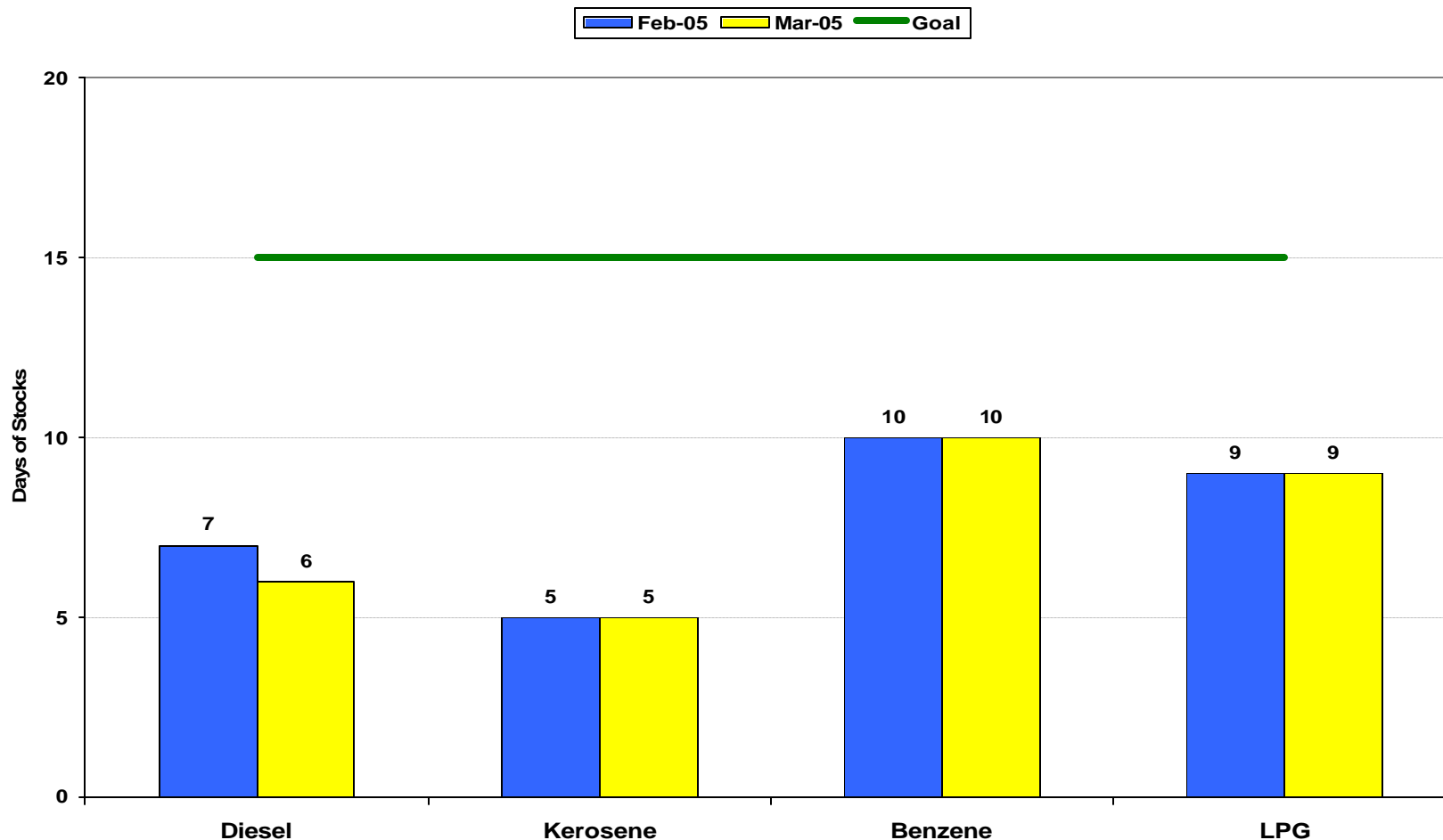


Note: This chart represents the average percentage of daily target reached for the week of March 14-21

- Diesel: 20.5 ML of 18.0 ML
- Kerosene: 9.7 ML of 10.1 ML
- Benzene: 19.6 ML of 18 ML
- LPG: 4,515 tons of 4,300 tons



## [4.0] Establish Foundations for a Strong Economy – National Stock Levels



- The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates and does not represent seasonal change. The numbers given above are monthly averages.



# [4.0] Establish Foundations for a Strong Economy – IRRF I & II Financials

Financial Status-IRRF I & II			Committed		Obligated		Disbursed	
Sector	2207 Report	Apportion	Last Week	Current	Last Week	Current	Last Week	Current
Security and Law Enforcement	5,045	5,045	4,571	4,585	3,675	3,744	1,672	1,708
Electricity Sector	4,369	4,078	3,909	3,909	2,775	2,798	887	889
Oil Infrastructure	1,701	1,701	1,596	1,563	943	1,007	193	211
Justice, Public Safety, and Civil Society	1,120	1,120	984	978	729	757	188	193
Democracy	832	832	753	738	663	663	286	291
Education, Refugees, Human Rights, Governance	379	379	271	285	232	234	64	66
Roads, Bridges, and Construction	359	355	337	339	183	185	53	54
Health Care	786	786	743	743	473	432	51	51
Transportation and Communications	513	513	495	483	333	320	51	53
Water Resources and Sanitation	2,279	1,770	1,755	1,753	965	965	88	93
Private Sector Development	843	835	806	776	761	761	435	436
Admin Expense (USAID)	213	29	29	29	29	29	29	29
IRRF II SUBTOTAL	18,439	17,443	16,249	16,181	11,761	11,895	3,997	4,074
IRRF II CONSTRUCTION	11,306	10,378	10,037	10,026	6,802	6,890	1,847	1,869
IRRF II NON-CONSTRUCTION	6,301	6,232	5,459	5,417	4,296	4,342	1,864	1,914
IRRF II DEMOCRACY	832	832	753	738	663	663	286	291
IRRF I SUBTOTAL	2,475	2,475	2,475	2,475	2,475	2,475	2,150	2,150
GRAND TOTAL IRRF I & II	20,914	19,918	18,724	18,656	14,236	14,370	6,147	6,224



## [5.0] Establish Good Governance, Rule of Law – Refugees, Democracy and Human Rights

### Supporting Literacy Classes for Women in Northern Iraq:

- A women's rights NGO in northern Iraq procured equipment and resources to expand its outreach and educational activities under a USAID Office of Iraq Transition (OTI) grant. OTI enabled the NGO to provide literacy courses and social outreach to area women, thus empowering them to become more active participants in their communities. This aims to teach uneducated women basic reading and writing skills thus also enabling them to improve their economic well-being and strengthening confidence in Iraq's transition to a democracy.

### Iraqi Special Tribunal (IST) Status:

- The University of Hillah, with a grant from USAID, continues to translate approximately 14,000 pages of case law from the IMT, ICTY, ICTR, and Special Court for Sierra Leone. The first translations have arrived in Baghdad and will be posted on the IST Web-Site.

### Iraqi Professional Training:

- A mock trial event, which the International Bar Association organized, and the British and Australian Governments funded began last week in Stratford Upon Avon, England. This program, designed for IST Prosecutors, permitted them to apply in a courtroom setting the lessons they have learned in previous training sessions. Throughout this training session, the Prosecutors have demonstrated a high level of knowledge about the substantive and procedural law, which will apply to the IST Process.



## [6.0] Maintain Int'l Engagement & Support – **Developments**

### International Support:

- Italian PM Berlusconi stated that Italy's September reduction in forces would only be 100 troops, subject to approval from allied forces, with no timetable set for further changes.
- Ukrainian President Yushchenko signed a plan March 22 for the phased withdrawal of forces from Iraq.
- Ukraine's Defense Ministry announced March 21 that 129 privates and sergeants of the 27th Iraqi infantry brigade are currently participating in a three-week training course in Ukraine. The training includes courses in armor driving and live-firing of a 120-mm mortar to "maintain stable communication and accomplish various missions that they may face while accomplishing self-sustained combat missions," the ministry official said.
- In an effort to increase security cooperation, Australia and Japan agreed to share more intelligence and demonstrate closer coordination in their operations in Iraq. Australia is sending forces to Iraq to replace the departing Dutch troops, who provided security for Japanese soldiers performing a non-combat mission.
- A UN-hosted lessons learned and way-ahead conference on Iraqi elections and international technical assistance to the elections process was held March 16-18.





## [6.0] Maintain Int'l Engagement & Support – **Stability Contributors**

### **27 MNF-I Contributors (in addition to US)**

Albania	El Salvador	Latvia	Poland
Armenia	Estonia	Lithuania	Romania
Australia	Georgia	Macedonia	Singapore
Azerbaijan	Italy	Moldova	Slovakia
Bulgaria	Japan	Mongolia	Ukraine
Czech Rep	Kazakhstan	Netherlands	UK
Denmark	Korea	Norway	

\*Note: Fiji participating as a part of the UN mission in Iraq. NTM-I forces in country total over 130 additional personnel from 17 countries, including the US.

**TOTAL ~ 25,000 Forces**

**28 Countries and NATO**  
(including US)  
**Support Iraqi Stability Operations**



# Iraq Weekly Status – General Information

- This brief draws from multiple sources. References are cited on the respective pages in the “Notes Page” section (View → Notes Page).
- Please forward all questions and/or comments to (unclassified) [NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov) or (classified) [NEA-I-IPOG-DL@state.sgov.gov](mailto:NEA-I-IPOG-DL@state.sgov.gov)